

Miners hail access

ATLAS Iron and Aquila Resources say a decision to open up rail lines in Western Australia owned by the mining giants could save smaller iron miners money and encourage new projects.

The Australian Competition Tribunal decided on Wednesday to allow third parties to use the Goldsworthy and Robe rail lines, which are owned by BHP

Billiton and Rio Tinto respectively, in the Pilbara region.

Atlas said it could use the Goldsworthy railway to transport ore from its projects, and Aquila said the Robe railway, which runs to Rio Tinto's wholly owned port at Cape Lambert, could benefit Aquila's West Pilbara iron ore project.

Aquila, Fortescue Metals and Metallurgical Corporation of

China have considered building their own rail line and a port at Anketell Point for their Pilbara projects.

This may not be necessary if smaller miners can negotiate terms of access with the mining giants, but it could be a challenging process.

"The decision by the tribunal may provide an opportunity for the West Pilbara iron ore

project to defer capital expenditure on rail, if ... the terms of an arrangement for access can be agreed with Rio Tinto," Aquila said.

The Goldsworthy railway is close to some of Atlas's main iron ore deposits.

"It will now be seriously considered as a means for transporting ore to Port Hedland." Atlas said.

AAP



two-way: Third parties can use tracks owned by BHP Billiton and Rio Tinto in WA, but negotiations may be tricky